STATE SENATOR - MARK SCHAUER - 19TH DISTRICT

Schauer Press Release



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SEN. SCHAUER SUPPORTS GOVERNOR'S EXECUTIVE ORDER TO CREATE NEW DEPT. OF LABOR AND ECONOMIC GROWTH

LANSING – State Sen. Mark Schauer (D-Calhoun, Jackson counties) today announced his support for Governor Granholm's recent Executive Order to create the new Dept. of Labor and Economic Growth.

"Under the leadership of Governor Granholm and Director David Hollister, this new department will allow our state to be more nimble and aggressive in job development, attraction, and support," Schauer said. "The new Department of Labor and Economic Growth will help the state spend taxpayer dollars more efficiently by eliminating overlap and duplication of some functions and enhancing the power of others. It also establishes a strong link between the Michigan Economic Development Corporation and our existing worker development functions."

The new Dept. of Labor and Economic Growth (LEG) combines the functions of the former Dept. of Consumer and Industry Services (CIS) and the Dept. of Career Development. LEG will promote economic growth and job creation in Michigan by centralizing and streamlining all of the state's job development, workforce development, and economic development functions under one umbrella.

Regarding executive orders necessary to create the new department, the Michigan Constitution states that "the Governor may make changes in the organization of the executive branch ... which he (sic) considers necessary for efficient administration." Once an Executive Order has been issued, the Legislature has 60 calendar days to disapprove it. If the order is not disapproved, it becomes effective at a date thereafter to be designated by the Governor.

No gubernatorial Executive Order reorganizing state government has been rejected by the Legislature, however Senate Republicans have publicly stated that they may reject the order due to the reorganization of the worker's compensation appeals process, which is a responsibility of the new department.

Responding to a potential Republican rejection of the new department, Schauer said, "First Republicans threaten funding for the Michigan Economic Development Corporation and now they are playing partisan politics with the state's new Department of Labor and Economic Growth. With Michigan's unemployment rate at its highest point in more than a decade and 170,000 manufacturing jobs lost during the last three years, now is not the time to put Michigan's economic growth and job creation efforts on hold. The proposed changes to the worker's compensation appeals process offered by the Governor will save money and introduce greater accountability to the process."

To view a summary of the Executive Order 2003-14, go to http://www.michigan.gov/documents/SUMMARy_73671_7.pdf

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Schauer is the Senate Democratic Floor Leader. He represents the 19th Senate District, which includes all of Calhoun County and most of Jackson County.